

Highlights

Internal Audit Report to the
Board of Supervisors

Why We Did This Review

Maricopa County procures a wide variety of goods and services for County agencies. In Fiscal Year (FY) 2011, the County expended \$581 million on construction and non-construction procurements.

What We Recommended

We recommended that the Office of Procurement Services:

- Continue to work with the Department of Finance and the Office of Enterprise Technology to develop a reliable system for tracking total contract expenditures.
- Monitor revisions to Arizona Revised Statutes and update the County's procurement code accordingly; develop internal procedures to ensure County contracts include required provisions.
- Establish formal policies and procedures over user access management for the County's procurement application.

With regard to emergency procurements, we recommended County management:

- Document approval for increases in time frames and expenditures, and require agencies to provide justification for increases.



For more information, please contact
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Countywide Procurement

Controls Appear To Be Adequate Improvements Can Be Made

What We Found

Our primary objectives were to determine if: (1) total contract activity is accessible and searchable, (2) contract transactions complied with the County's procurement code, (3) IT user access codes are in place for the County's procurement application, and (4) vendors are satisfied with County procurement practices.

Summary of Audit Results

Contract Expenditure Tracking	<p>The County does not have a reliable system in place for reporting total expenditures by individual contract.</p> <p>Credit card payments, wire transfers, and warrants paid without contract number references, are not linked and aggregated with individual contract expenditures.</p>
Non-Construction Procurement	<p>The Procurement Code was followed for the non-construction goods and services procurements we reviewed.</p> <p>However, contracts did not always include required clauses. Some required clauses were missing in 6 of 11 contracts reviewed.</p>
Emergency Procurement	<p>The Procurement Code was followed for the five Emergency Procurements we reviewed.</p> <p>However, one emergency procurement exceeded its approved end-date by over two years and its approved budget by \$1.7 million.</p>
Construction Procurement	<p>The Procurement Code was followed for the nine construction procurements we reviewed.</p> <p>However, one procurement contract did not contain the required file documentation for public bids, rejection letters, evaluation documents, and agency head approvals.</p>
Information Technology	<p>Controls exist for managing user access to the countywide procurement application (BidSync).</p> <p>However, formal policies and procedures over user access management (i.e., add, change, or delete users) have not yet been developed.</p>
Vendor Satisfaction	<p>83% of the County vendors responding to our survey were satisfied or very satisfied with the County's procurement practices.</p>